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Elkem Metals Company

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June 23, 1986

Dr. D. J. Hansen
Umetco Minerals Corporation
137 - 47th Street
Niagara Falls, NY 14302

Dear Don

Subject: Divestiture - Niagara Site

Following our conversation on Friday, June 20, 1986, I have reviewed the items of concern that Elkem has which have fed back to Union Carbide through Umetco in the past. With the possibility of you not being available on a regular basis after June 30, 1986, there should be a record of these active items for later resolution. Consider the following

1. Elkem Site - Radioactive Licenses

Your letter to Frank McMillen of March 3, 1986 indicated the action being taken. On License 210-0090 relating to portable isotope analyzers and thorium bearing chemicals, all of these items have been removed and wipe tests have been made in 166 Building. We have not seen the results of these wipe tests. These areas in 166 Building are not presently in use so the timing of delicensing is not critical.

On License 950-0139 relating to the south property on the Elkem site, it is my understanding that the Elkem property cannot be delicensed until contaminated sites (C4P, Main Plant) on the former Umetco property are sampled and cleared.

Elkem's concern is with the clay backfill that Bob Klotzbach authorized for the formerly contaminated areas between the paved storage pads on Elkem's south property. Don Gregory of Elkem's Engineering Department had specified gravel backfill for pad access. Klotzbach proceeded with clay backfill as an expedient to meet sampling target dates. The areas in question cannot support a truck or towmotor in wet weather when the clay softens.

Elkem is anxious to accomplish the following:

- a. Delicense for non-restricted use. This would include excavation for underground utilities or footings for structures.
- b. Excavation of the clay to an reasonable depth (2 feet?) and backfill with a compacted gravel that could support surface traffic.

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2. PCB Transformers

The three transformers on the roof of 94 Building continue to be a threat to personnel and continued operation of the building below should a spill or fire occur or a transformer tank breach due to corrosion or impact. Eventually there will be more restrictive federal regulations that could dictate alteration or removal of this power supply.

John Winters
Although UCC has judged the problem not to be theirs, Elkem does not agree that by leasing the facilities the PCB legacy becomes merely a maintenance problem for Elkem to handle.

The old adage - if it isn't broken don't fix it, does not apply here since the consequences of an oil leak into the building could lead to very serious loss. We will be in pursuit of a solution to this problem with UCC in the near future.

3. Holcomb Road Sewer

There is a twofold problem here:

- a. When the Holcomb Road sewer was plugged and abandoned south of 166 Building in the mid 1970's, the sewer plug did not prevent infiltration from the A Street area. Elkem's best judgement is that organic infiltration from this area to the south is the source of present compliance problems.
- b. Subsidence adjacent to the sewer and Building 94 could be an indication of subsurface erosion similar to the situation proceeding the sewer collapse in the same area in the early 1960's.

The City is aware of both of these problems and we are working toward a solution. Elkem feels the liability sequence in the event of an incident would be 1st City of Niagara Falls, 2nd Union Carbide, 3rd Elkem Metals Company.

4. 99 Building

This U.S. Vanadium building, on the Elkem side, has created a number of problems for Elkem relating to steam use, sewer contaminations, uncontrolled release of chlorine and use of outside storage areas. Elkem is making efforts now to redefine some of these problems use areas, which presumably would be between Elkem and U.S. Vanadium.

5. Utility Use

Fees for using utilities, mostly power and steam, are too high for continued economic operation. Negotiations for reduction will proceed through the Linde Bulk Gas representatives now handling utilities.

6. Asbestos Decontamination

Umetco has completed the asbestos decontamination program in 169 and 166 Buildings to Elkem's satisfaction as detailed in your letter of January 30, 1986.

7. Property Taxes

There continues to be some disagreement between UCC-Elkem and the City on assessment values and fair apportionment of taxes. Work is under way to try to resolve this issue.

As far as your involvement Don, it would seem that Item 1 - Radioactivity, would be something that you or Jack Kagetsu should try to assure is completed. Ideally Elkem's south property could be delicensed this summer so that the gravel for clay upgrading could be completed before the wet fall weather begins.

Items 2-7 obviously have longer term solutions which may involve new people.

In closing, I would like to commend both you and Al Gonas for the professional way that you both moved through this period of pullout from the labs. You were well organized, cooperative, thorough and a pleasure to work with.

Sincerely yours,


R. A. Crago
Site Manager

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